

**STATE OF NORTH CAROLINA
COUNTY OF AVERY**

The Avery County Board of Commissioners met in Regular Session on Monday, August 4, 2008 at 3:30 p.m. in the Commissioners Board Room, Avery County Administrative Complex, Newland, N.C.

Members Present: Kenny Poteat, Chairman; Susan Pittman, Vice-Chair; Phyllis Forbes; Scott Heath

Members Absent: Dan South

Call To Order:

Chairman Poteat called the meeting to order at 3:35 p.m.
Scott Heath offered prayer.

Chairman Poteat stated that there had been a lot of correspondence with Commissioner Dan South and his comments regarding items on the agenda will be read after each agenda item.

Public Comments

Junior Sluder came before the Board stating that at the last meeting Mr. Sluder had requested that each Commissioner talk to their insurance agency about what fire classification they are in and what the savings are on their homeowner's policy. Chairman Poteat stated that his home was classified as a 7 and that the savings he obtained were \$456.00 and the fire tax is \$63.00. Susan Pittman stated that she was classified as a 9 and her savings was \$70.00 on her homeowner's policy. Scott Heath had a savings of \$150.00. Phyllis Forbes had requested the information from her insurance agency and had not obtained that information.

Martha Hicks stated that Avery County Rescue Squad wanted to thank the Avery County Board of Commissioners and Robert Wiseman, County Manager, for the used rescue squad that the County gave them.

Phyllis Forbes advised that she had spoken to Mr. Joe Sam Queen regarding housing in the County and the NRCS position.

Kenny Poteat stated that last week he was one of seven commissioners in North Carolina to help decide who receives the Ralph Ketner Awards. Chairman Poteat said that he was told it was very rare for someone from the Western part of the state to be chosen to be a part of this committee.

Proclamations and Awards

Robert Wiseman, County Manager, stated that Kay Potter, Medicaid Fraud Investigator, is a very dedicated employee. Ms. Potter is considered one of the top collectors in North Carolina and in the month of June 2008, Avery County placed second in the 100 counties of North Carolina collecting \$11,158.20. Chairman Poteat said that he commended Ms. Potter on this achievement and appreciated all of the hard work. Chairman Poteat read comments from Dan South: "I congratulate Ms. Potter for her outstanding work. I trust that her health is improving and will continue to improve. Thank you for your dedication and selfless service to our county". Phyllis Forbes stated that Ms. Potter is a fine employee and a very dedicated employee as well as all the others working at DSS. Scott Heath advised that if percentages were calculated with Avery County not being one of the largest counties in the state by populous, the percentages of collections per capita would be a very impressive number.

Board Appointments

Toe River Health District

The County Manager advised there is a vacancy on the Toe River Health District Board and that Jesse Greene, Toe River Health District Health Director, asked the Board to consider Dr. Jonathon Lindsey (dentist) for appointment to the Toe River Health District Board. Dr. Lindsey has agreed to be considered a candidate for this board. Chairman Poteat read aloud Dan South's comments: "I strongly support Dr. Lindsey. I can think of no better person to serve on this board. Just for the record I would like to note that he is an Ashe County product and Avery County is better because he chooses to reside here".

Motion by Susan Pittman and second by Phyllis Forbes to approve the appointment of Dr. Jonathon Lindsey to the Toe River Health District Board for a three year term. Motion unanimously approved with those in attendance (4-0).

Chairman Poteat read another comment on this issue from Dan South: "If Dr. Lindsey is present, I would like to ask him to look into the issue of the excess dollars collected for septic fees which were supposed to be returned, which it is my understanding, that all of the excess fees have not". Chairman Poteat asked Phyllis Forbes to relay Mr. South's concerns to Dr. Lindsey.

Tax Collector Report – Phillip Barrier

Phillip Barrier, Tax Assessor, presented the tax collections for the month of July 2008 in the absence of Mary Daniels. Total collections for the month of July 2008 was \$99,852.76.

Motion by Scott Heath and second by Phyllis Forbes to approve the Tax Collector's Report as presented. Motion unanimously approved with those in attendance (4-0).

Tax Assessor Report – Phillip Barrier

Real and Personal Releases

Phillip Barrier, Tax Assessor, presented the total releases for July 2008 which were \$346.57 in County tax and \$30.34 fire tax making a total of \$376.91. This is mostly personal property.

Motion by Phyllis Forbes and second by Scott Heath to approve the Real and Personal Releases with one correction to be made on the name of a business. Motion unanimously approved with those in attendance (4-0).

Motor Vehicle Releases

The Motor Vehicle Releases for July 2008 is \$416.51 County tax, \$42.83 Fire Tax and \$100.13 city tax (Beech Mountain and Banner Elk).

Motion by Susan Pittman and second by Scott Heath to approve the Motor Vehicle Releases as presented. Motion unanimously approved with those in attendance (4-0).

Mr. Barrier stated that the tax bills have been mailed as of today. The actual bills mailed were 22,626. The amount of the tax bills due is \$15,199,928.59. These tax bills will be due by January 5, 2009. Mr. Barrier advised that his office is working on the 2010 revaluation and had been tracking the sales and in June 2007 there were 67 qualified sales; June 2008 there were 45 qualified sales. In July 2007 there were 83 qualified sales and in July 2008 there were 66 qualified sales. Mr. Barrier stated that the sales being down caused more difficulty with working toward revaluation. Mr. Barrier stated that he and his employees appreciated the hard work on the budget and the cost of living raise that the employees received.

NORTHWESTERN REGIONAL HOUSING AUTHORITY – NED FOWLER

Ned Fowler, founder and director of Northwestern Regional Housing Authority, spoke to the Board about affordable housing. Mr. Fowler thanked Phyllis Forbes for initiating this visit. Mr. Fowler introduced Sara Young who handles the Regional Housing Authority's Avery County office. Mr. Fowler stated that housing is an expensive commodity and more than likely most people will spend the largest portion of disposable income on shelter and utilities. Mr. Fowler advised that many people in other neighboring counties are priced out of the housing market, priced out of home ownership and even priced out of the rental market. Thirty years ago Avery County was one of the poorest per capita income counties in the state of North Carolina but today Avery County is the thriving home of exclusive single family neighborhoods not only in North Carolina but in the eastern United States, stated Mr. Fowler. Mr. Fowler reported that the development does provide jobs and drive the economy but also causes property values to go up, property taxes to go up and makes it extremely difficult for the children coming along to buy a piece of land and build a starter home.

A power point presentation was presented by Ned Fowler and a slide presentation showing the different housing complexes that have been built in the surrounding counties by Northwestern Regional Housing Authority.

Ned Fowler stated that there is a task force in Avery County now that is trying to identify needs for housing. Ned Fowler advised that the County could do several different things such as target CDBG money, Federal money, recognize surplus property owned by the County or towns to be transferred to affordable housing, or perhaps look at subdivision regulations. Mr. Fowler stated that the subdivision regulations could include inclusionary zoning which is certainly within the County's prerogative to do this. The inclusionary zoning would require developers to include a percentage of homes that are affordable for the work force or low income or require a percentage of monies to go into a fund for low income housing.

Chairman Poteat questioned about the 13 displaced families in Crossnore and whether anyone had contacted Sara Young. Ms. Young stated that one family had made an appointment and one family had put in an application. Ms. Young advised that she had attended the meetings at Crossnore regarding the displaced families. Scott Heath questioned Mr. Fowler about how the investors receive their money back. Mr. Fowler advised that high income companies have tax burdens and tax credits are given for the money that they invest in the affordable housing. Phyllis Forbes stated that she would like to pursue the affordable housing issue further. The Board thanked Mr. Fowler for his presentation.

County Manager Report – Robert Wiseman

County Manager Updates

Avery County Rescue Squad

The County Manager stated that the title on the emergency vehicle had been transferred to Avery County Rescue Squad with the commitment that Avery County Rescue Squad would provide support for Avery EMS. Chairman Poteat read Dan South's comments: "Is there something in writing between the County and Avery Rescue Squad as to this vehicle? The track record of Avery Rescue Squad and vehicles is not good. They have destroyed two vehicles that I remember. As I recall both were through neglect or poor judgment. I feel we need some leverage that the vehicle is used as we intend. I think the idea is good but my concern is the execution and our ability to hold Avery Rescue Squad responsible." The County Manager stated that there is more and more work toward the goal of accountability and that legal counsel and the County Manager is currently working on a policy for accountability. The County Manager advised that Linville Rescue Squad did not show any interest in this vehicle.

Allocation of \$57,000 – Sheriff's Department

The County Manager advised that the Finance Officer and Sheriff Frye met regarding the \$57,000 allocation and it worked out to two vehicles; one being a patrol car and the other being a small car for the detective to use, and also \$2500.000 allocations for the two K-9 units and \$1000.00 for 5 members for training. Scott Heath questioned if this money necessarily needed to be spent.

"Dangerous Dog" Board

The County Manager stated that it was the consensus of the Board to appoint the Board of Commissioners as an interim board to hear "dangerous dog" appeals. The County Manager advised that several years ago the Board discussed a RAT (rabies action team) committee. The County Manager stated that Avery County had not had an outbreak of rabies in this County yet. The RAT committee would consist of a local health director, medical professional, local law enforcement officer, member of the Toe River Bear Club/High Country Sportsman Coalition, and member of Avery Humane Society/Friends of the Shelter. The County Manager advised that this would not be a board that met every month but if there was a situation that arose in the County that anyone on the committee could call the committee into session and if the committee agreed there was an epidemic of rabies the Board of Commissioners would be contacted to discuss the issue and if the Board of Commissioners felt that the committees concerns were justified then an action plan would be implemented. Phyllis Forbes stated she thought this was a great idea and that some neighboring counties have had rabies outbreaks in the past and Avery County is not prepared if anything such as that happens. Scott Heath stated that there did not need to be a board that does little or nothing because usually boards like that dissipate and maybe duties could be added to the board as it developed.

Beeson, Lusk and Street Contract

The County Manager stated that the amended contract to include the jail consultant had been executed.

Accountability of Non-Profits

The County Manager advised that this issue is pending.

Grade Increase for E-911

The County Manager stated that the grade increase had been initiated for E-911 and E-911 is operating for less money with the new schedule change and the new schedule seemed to be working out well.

NCRS Position

The County Manager advised that from the political approach everything that could possibly be done has been done and the Resolution adopted by the Board was sent to numerous persons. The County Manager stated that at this point nothing has changed with the decision of transferring this position. Chairman Poteat read Dan South's comments: "This is a critical position in our county. I appreciate all the work that everyone is doing to save this position. Mr. Moody lays out several valid reasons for keeping the position. I sincerely hope that our elected representatives in Raleigh and Washington can help with this dumb decision." The County Manager advised that right now the position would be transferred in October.

Appraisals on Property

The County Manager stated that previously the Board had discussed getting appraisals on the Banner Elk Child Development Center property and the Puckett Property located beside Best Western in Banner Elk but a commercial appraisal was not performed because of the costs. The County Manager advised that Phillip Barrier, Tax Assessor, could give as good appraisal as any commercial appraiser and if the Board continues to consider selling these properties that the Board use Mr. Barrier's judgment in regards to an appraisal. The County Manager stated that he had met with representatives from Lees McRae College about the Banner Elk Child Development Center and that he anticipated Lees McRae getting back with him to discuss either a lease to purchase, a lease, or straight out purchase.

Recreation Property (Wright Property)

The County Manager advised that one of the structures on the Recreation Property that was just purchased had a very leaky roof and the roof was replaced on that structure at a cost of \$4,000. Chairman Poteat read Dan South's comments: "Are we going to keep these properties? I seem to remember that we cannot rent them and am assuming that we are going to use as a community building and the summer intern residents." Chairman Poteat stated that the Board needed to continue the dialogue about how long the buildings would still be for rent and that the County should give the tenants a reasonable amount of time to relocate. The County Attorney remarked that Robbie Willis and the County Attorney were meeting on Tuesday, August 5, 2008 to finish up the paperwork for the grant and a telephone conference was set up with the person who is in charge of the grant. The County Attorney advised that it may be that part of the money that was expended on the roof could be included in part of the grant. The Finance Officer stated that we had paid for the property and was awaiting 50% of the money back from the grant. Scott Heath stated that he would have an issue with this if it came out that these structures needed a lot of repair work done. The County Manager advised that the occupants were aware that this was only a temporary living situation. Scott Heath stated that the Board needed to set a date for vacancy of the rental property and a clear plan for the structures and property. The County Attorney advised that the way the grant is set up the County cannot profit from the rental monies and how that is being handled is a nonprofit entity is being set up to manage the property and collect the rents and the monies would go to development of the recreation property. Phyllis Forbes stated that she thought that the rental should possibly be continued. The County Manager advised that Robbie Willis was working on a master plan that would include several surveys for the recreation properties and Heritage Park. Chairman Poteat stated that as a Board as soon as possible there needed to be some decisions made concerning the recreation properties.

Office Space- Former Employment Security Commission

The County Manager stated that all of the social service employees with child protective services will occupy the space that has been vacated by the Employment Security Commission. Joblink will be located on the 2nd floor of the Administrative Building. There will be one office as storage for the administrative offices. The IT person will be moved to one of the offices on the 2nd floor.

ADM Funds- \$75,000 Requested by the Board of Education

The County Manager stated that the Board of Education had requested \$75,000 out of the ADM funds for school technology. Tim Greene, Finance Officer, stated that \$375,000 came out of the ADM funds for technology last year. The Finance Officer advised there was an approved technology plan that the State signs off on but with the amount of money that was being asked for there needed to be justification for the money. The Finance Officer stated that the ADM funds come from corporate income taxes which are earmarked for capital requests or school technology and since October 1997 \$1,193,000 has been spent on school technology. Discussion regarding technology in the schools. Chairman Poteat read Dan South's comments: "This \$75,000 will deplete the tax revenue. I am very nervous about a "technology plan" and we are given very vague comments like needed materials, repair parts and supplies. That to me leaves a lot of room for waste. I would like to see more specific items that the money is going to buy. I am not trying to be hard nosed but \$75,000 is a lot of money and I feel the use of that money needs to be clearer. I would ask that more details be made available before the money is released." Scott Heath stated that he does not have a problem with asking for more details. Chairman Poteat asked if there had been years that there was a remainder left in the ADM funds. The Finance Officer stated that there had been years that some of the money had not been used and it would not be lost if the money was not used in that year. Phyllis Forbes advised that she didn't feel the school board could get much more specific than the document that was sent regarding Technology. Scott Heath stated he didn't necessarily want to deplete the fund and questioned how long that it took to replenish the fund. The Finance Officer advised that money was put into this account over the course of a year. Chairman Poteat stated that he was concerned about the depletion of the fund. Chairman Poteat advised that he felt like that the request for the \$75,000 should be honored but that the Board of Education should realize that this issue had been closely scrutinized. Susan Pittman questioned what if the Board of Education had a need in the spring for \$75,000 worth of oil and had already depleted the ADM fund. Martha Hicks stated that if the Board recalled, the Board of Education advised that they would be back the first of the year and ask for more money. Phyllis Forbes advised that she could see the pros and cons of taking this money out of the ADM funds. Phyllis Forbes stated that she had scheduled an appointment with the new superintendent and his vision is to make Avery County schools competitive in a 21st century environment and one of the things is probably going to be technology. Chairman Poteat suggested possibly giving \$50,000 and that would not deplete the fund and the Board of Education could decide on how to spend the money. Scott Heath questioned if the money needed to be spent now or if the Board could send back to the Board of Education their concerns regarding depleting this fund. The County Manager advised that a quarterly meeting would probably be in September with the Board of Education and that maybe this issue could be tabled and discussed at the joint meeting. Phyllis Forbes stated that she objected to tabling the issue of the \$75,000. Consensus of the remaining Board to table the issue of the \$75,000 ADM funds for technology for the Board of Education until the joint meeting in September.

Finance Officer Report – Tim Greene

Budget Amendment # A09-05

Tim Greene, Finance Officer, stated that Avery County has approximately \$30,000 remaining on the NC Department of Crime Control and Public Safety Crisis Housing Assistance Funds (CHAF) grant. Boone Housing Authority is the grant administrator. These monies were not included in the 2008/2009 budget. This grant is a 100% reimbursable grant and is used to replace homes destroyed by Hurricanes Frances & Ivan.

Motion by Phyllis Forbes and second by Susan Pittman to approve the debit and credit to CHAF for \$30,000. Motion unanimously approved with those in attendance (4-0).

Budget Amendment # A09-06

The Finance Officer advised that the 2007/2008 Budget included \$270,500 of Avery County Schools capital projects to be paid for using money out of the Public School Building Capital Fund or ADM Fund. One of the projects was ineligible for the ADM Fund (roof on the central office). It will be necessary to reimburse Avery County Schools \$28,500 to cover their shortfall out of the County's Fund Balance. The net result is we have excess funds still in the ADM fund which the County can use for future School capital or technology needs.

Chairman Poteat read aloud Dan South's questions: "What was the project? Was that our mistake or the school boards"? The Finance Officer stated it was the County's mistake.

Motion by Susan Pittman and second by Scott Heath to adopt the budget amendment Avery Schools Capital Outlay Debit \$28,500.00 and Fund Balance Credit \$28,500.00. Motion unanimously approved with those in attendance (4-0).

Budget Amendment # A09-07

The Finance Officer reported that the Avery County Sheriff's Department has received a Department of Crime Control & Public Safety grant for Domestic Violence Intervention in the amount of \$76,692.00. Avery County will contribute 25% of the total or \$19,173.00. The County's contribution will be supplied with in-kind match with a 2005 Chevrolet Trailblazer. The federal grant funds will be \$57,519.00.

Chairman Poteat read Dan South’s question: “Is this an increase in a detective”? The County Manager stated that there was no increase in personnel.

Motion by Phyllis Forbes and second by Susan Pittman to adopt budget amendment which includes 7 debits totaling \$57,519.00 those being Salary—Detectives; FICA; Retirement; Insurance; 401K Retirement; Travel; Gas/Diesel Fuel and an accompanying credit of \$57,519.00 from ACADA grant. Motion unanimously approved with those in attendance (4-0).

County Attorney Report – Michaelle Poore

The County Attorney reported to the Board that the lawsuit that was filed by R.C. Landholdings had been dismissed and it was ultimately dismissed with prejudice and the County also dismissed the claim for sanctions against R.C. Landholdings with prejudice and that means that neither party can sue on that issue again. The County Attorney stated that there was one tax foreclosure going on now.

Approval of Minutes

Motion by Phyllis Forbes and second by Scott Heath to approve the minutes from the Regular Session June 16, 2008; Closed Session June 16, 2008; Regular Session July 7, 2008; Closed Session July 7, 2008. Susan Pittman abstained from approving the minutes for the July 7, 2008 Regular Session and Closed Session because she was not in attendance at the July 7, 2008 meeting. Motion unanimous for approving the minutes from the Regular Session June 16, 2008; Closed Session June 16, 2008 with those in attendance (4-0). Motion unanimous with those voting for approving the minutes from the Regular Session July 7, 2008; Closed Session July 7, 2008 (3-0)

Agenda Consent Items

Agenda Consent Items adopted by Consensus of the Board.

Upcoming Meetings

The Regular meeting for Monday, September 1, 2008 will be changed to Tuesday, September 2, 2008 because of the Labor Day Holiday. The County Manager will decide on a date for the Grand Opening of the Green Valley EMS Substation.

Adjourn

Motion by Susan Pittman and second by Scott Heath to adjourn this meeting at 6:21 p.m. Motion unanimously approved with those in attendance (4-0).

**Kenny Poteat, Chairman
Avery County Board of Commissioners**

ATTEST: _____
Cindy Turbyfill, Clerk to Board